

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HOUSE BILL 2035

AN ACT

AMENDING SECTION 11-483, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 299, SECTION 2; AMENDING SECTION 11-484, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 299, SECTION 4; AMENDING SECTION 15-481, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 44, SECTION 2 AND CHAPTER 217, SECTION 4; REPEALING SECTION 15-481, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 354, SECTION 12; AMENDING SECTION 15-491, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 44, SECTION 3 AND CHAPTER 217, SECTION 5; REPEALING SECTION 15-491, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 354, SECTION 13; REPEALING THE ARTICLE HEADING OF FORMER TITLE 23, CHAPTER 2, ARTICLE 8, ARIZONA REVISED STATUTES; PROVIDING FOR THE DELAYED REPEAL OF SECTION 36-2007, ARIZONA REVISED STATUTES; AMENDING SECTION 42-1116, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 354, SECTION 24; REPEALING SECTION 42-1116, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 351, SECTION 5; AMENDING SECTION 42-3203, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 1997, CHAPTER 150, SECTION 59; AMENDING SECTION 42-3203, ARIZONA REVISED STATUTES, AS AMENDED BY THIS ACT; REPEALING SECTION 42-3203, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 278, SECTIONS 18 AND 19; AMENDING SECTION 48-4203, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2002, CHAPTER 149, SECTION 1; REPEALING SECTION 48-4203, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 376, SECTION 4; AMENDING LAWS 2005, CHAPTER 322, SECTION 2; REPEALING LAWS 2006, CHAPTER 319, SECTION 2; RELATING TO MULTIPLE, DEFECTIVE AND CONFLICTING LEGISLATIVE DISPOSITIONS OF STATUTORY TEXT; PROVIDING FOR CONDITIONAL ENACTMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Purpose

3 1. Section 11-483, Arizona Revised Statutes, was amended by Laws 2005,
4 chapter 49, section 1 and Laws 2005, chapter 243, section 1. These two
5 versions could not be blended because of the delayed effective date of the
6 chapter 243 version. In order to combine these two versions, Laws 2006,
7 chapter 299 amended the Laws 2005, chapter 49 version of section 11-483,
8 Arizona Revised Statutes, to incorporate the amendments made by Laws 2005,
9 chapter 243 and the chapter 243 version was repealed. Section 11-483,
10 Arizona Revised Statutes, as amended by Laws 2005, chapter 243, section 1,
11 was also amended by Laws 2006, chapter 298, section 1. Since the Laws 2005,
12 chapter 243, section 1 version of the section was repealed, the amendments
13 made in the Laws 2006, chapter 298 version are not effective. In order to
14 further the legislature's intent, this act amends the Laws 2006, chapter 299
15 version of section 11-483, Arizona Revised Statutes, to incorporate the
16 amendments made by Laws 2006, chapter 298.

17 2. Section 11-484, Arizona Revised Statutes, was amended by Laws 2005,
18 chapter 49, section 2 and Laws 2005, chapter 243, section 2. These two
19 versions could not be blended because of the delayed effective date of the
20 chapter 243 version. In order to combine these two versions, Laws 2006,
21 chapter 299 amended the Laws 2005, chapter 49 version of section 11-484,
22 Arizona Revised Statutes, to incorporate the amendments made by Laws 2005,
23 chapter 243 and the chapter 243 version was repealed. Section 11-484,
24 Arizona Revised Statutes, as amended by Laws 2005, chapter 243, section 2,
25 was also amended by Laws 2006, chapter 298, section 2. Since the Laws 2005,
26 chapter 243, section 2 version of the section was repealed, the amendments
27 made in the Laws 2006, chapter 298 version are not effective. In order to
28 further the legislature's intent, this act amends the Laws 2006, chapter 299
29 version of section 11-484, Arizona Revised Statutes, to incorporate the
30 amendments made by Laws 2006, chapter 298.

31 3. Section 15-481, Arizona Revised Statutes, was amended by Laws 2006,
32 chapter 44, section 2, chapter 217, section 4 and chapter 354, section 12.
33 The chapter 354 version could not be blended because of the delayed effective
34 date. In order to combine these versions, this act amends the Laws 2006
35 blended version of section 15-481, Arizona Revised Statutes, to incorporate
36 the amendments made by Laws 2006, chapter 354 and the chapter 354 version is
37 repealed.

38 4. Section 15-491, Arizona Revised Statutes, was amended by Laws 2006,
39 chapter 44, section 3, chapter 217, section 5 and chapter 354, section 13.
40 The chapter 354 version could not be blended because of the delayed effective
41 date. In order to combine these versions, this act amends the Laws 2006
42 blended version of section 15-491, Arizona Revised Statutes, to incorporate
43 the amendments made by Laws 2006, chapter 354 and the chapter 354 version is
44 repealed.

1 5. Laws 1956, third special session, chapter 3 recodified Arizona
2 Revised Statutes and included title 23, chapter 2, article 8. Laws 1965,
3 chapter 27, section 4 and Laws 1974, chapter 76, section 9 repealed all of
4 the sections contained in title 23, chapter 2, article 8, Arizona Revised
5 Statutes. The article heading for that article 8 has not been repealed.
6 Laws 2006, Proposition 202 added a new title 23, chapter 2, article 8,
7 Arizona Revised Statutes. In order to resolve this conflict, this act
8 repeals the article heading of former title 23, chapter 2, article 8, Arizona
9 Revised Statutes.

10 6. Laws 2006, chapter 337, section 7 provided for the delayed repeal
11 of that act. However, that repeal was not included in the title of the act
12 in violation of article IV, part 2, section 13, Constitution of Arizona. In
13 order to correct a potentially defective enactment, this act provides for the
14 delayed repeal of section 36-2007, Arizona Revised Statutes.

15 7. Section 42-1116, Arizona Revised Statutes, was amended by Laws
16 2006, chapter 351, section 5 and chapter 354, section 24. These two versions
17 could not be blended because of the delayed effective date of the chapter 351
18 version. In order to combine these two versions, this act amends the chapter
19 354 version of section 42-1116, Arizona Revised Statutes, to incorporate the
20 amendments made by Laws 2006, chapter 351 and the chapter 351 version is
21 repealed.

22 8. Section 42-3203, Arizona Revised Statutes, was amended by Laws
23 2006, chapter 278, section 18, and that version of section 42-3203, Arizona
24 Revised Statutes, was amended by Laws 2006, chapter 278, section 19.
25 However, the version of the section that was amended by Laws 2006, chapter
26 278, section 18 was not identified in the title of the act in violation of
27 article IV, part 2, section 13, Constitution of Arizona. In order to correct
28 potentially defective enactments, this act amends the previous valid version
29 of section 42-3203, Arizona Revised Statutes, to incorporate the amendments
30 made by Laws 2006, chapter 278, section 18 and amends the amended version to
31 incorporate the amendments made by Laws 2006, chapter 278, section 19 and the
32 chapter 278, section 18 and 19 versions are repealed.

33 9. Section 48-4203, Arizona Revised Statutes, was amended by Laws
34 2006, chapter 376, section 4. However, this version did not reflect the
35 previous valid version of the section. In order to comply with article IV,
36 part 2, section 14, Constitution of Arizona, this act amends section 48-4203,
37 Arizona Revised Statutes, as amended by Laws 2002, chapter 149, section 1, to
38 incorporate the amendments made by Laws 2006, chapter 376 and the chapter 376
39 version is repealed.

40 10. Laws 2005, chapter 322, section 2 was amended by Laws 2006, chapter
41 319, section 2. However, this version did not reflect the previous valid
42 version of the section. In order to comply with article IV, part 2, section
43 14, Constitution of Arizona, this act amends Laws 2005, chapter 322, section
44 2 to incorporate the amendments made by Laws 2006, chapter 319 and the
45 chapter 319 version is repealed.

1 C. If a peace officer, justice, judge, commissioner, public defender,
2 prosecutor, **CODE ENFORCEMENT OFFICER**, victim of domestic violence or stalking
3 or person who is protected under an order of protection or injunction against
4 harassment is also requesting pursuant to section 11-484 that the general
5 public be prohibited from accessing records maintained by the county assessor
6 and county treasurer, the peace officer, justice, judge, commissioner, public
7 defender, prosecutor, **CODE ENFORCEMENT OFFICER**, victim of domestic violence
8 or stalking or person who is protected under an order of protection or
9 injunction against harassment may combine the request pursuant to subsection
10 B of this section with the request pursuant to section 11-484 by filing one
11 affidavit. The affidavit and subsequent action by the appropriate
12 authorities shall meet all of the requirements of this section and section
13 11-484.

14 D. The affidavit shall be filed with the presiding judge of the
15 superior court in the county in which the affiant resides. To prevent a
16 multiplicity of filings, a peace officer, public defender, ~~or~~ prosecutor **OR**
17 **CODE ENFORCEMENT OFFICER** shall deliver the affidavit to the peace officer's
18 commanding officer, or to the head of the prosecuting, ~~or~~ public defender **OR**
19 **CODE ENFORCEMENT** agency, as applicable, or that person's designee, who shall
20 file the affidavits at one time. In the absence of an affidavit that
21 contains a request for immediate action and that is supported by facts
22 justifying an earlier presentation, the commanding officer, or the head of
23 the prosecuting, ~~or~~ public defender **OR CODE ENFORCEMENT** agency, as
24 applicable, or that person's designee, shall not file affidavits more often
25 than quarterly.

26 E. On receipt of an affidavit or affidavits, the presiding judge of
27 the superior court shall file with the clerk of the superior court a petition
28 on behalf of all requesting affiants. Each affidavit presented shall be
29 attached to the petition. In the absence of an affidavit that contains a
30 request for immediate action and that is supported by facts justifying an
31 earlier consideration, the presiding judge may accumulate affidavits and file
32 a petition at the end of each quarter.

33 F. The presiding judge of the superior court shall review the petition
34 and each attached affidavit to determine whether the action requested by each
35 affiant should be granted. If the presiding judge of the superior court
36 concludes that the action requested by the affiant will reduce a danger to
37 the life or safety of the affiant or another person, the presiding judge of
38 the superior court shall order that the recorder prohibit access for five
39 years to the affiant's residential address and telephone number contained in
40 instruments or writings recorded by the county recorder and made available on
41 the internet. If the presiding judge of the superior court concludes that
42 the affiant or another person is in actual danger of physical harm from a
43 person or persons with whom the affiant has had official dealings and that
44 action pursuant to this section will reduce a danger to the life or safety of
45 the affiant or another person, the presiding judge of the superior court

1 shall order that the general public be prohibited for five years from
2 accessing the unique identifier and the recording date contained in indexes
3 of recorded instruments maintained by the county recorder and identified
4 pursuant to subsection B of this section.

5 G. On motion to the court, if the presiding judge of the superior
6 court concludes that an instrument or writing recorded by the county recorder
7 has been redacted or sealed in error, that the original affiant no longer
8 lives at the address listed in the original affidavit, that the cause for the
9 original affidavit no longer exists or that temporary access to the
10 instrument or writing is needed, the presiding judge may temporarily stay or
11 permanently vacate all or part of the court order prohibiting public access
12 to the recorded instrument or writing.

13 H. On entry of the court order, the clerk of the superior court shall
14 file the court order and a copy of the affidavit required by subsection B of
15 this section with the county recorder. No more than ten days after the date
16 on which the county recorder receives the court order, the county recorder
17 shall restrict access to the information as required by subsection F of this
18 section.

19 I. If the court denies an affiant's request pursuant to this section,
20 the affiant may request a court hearing. The hearing shall be conducted by
21 the court in the county where the petition was filed.

22 J. The recorder shall remove the restrictions on all records
23 restricted pursuant to this section by January 5 in the year after the court
24 order expires.

25 K. To include subsequent recordings in the court order, the peace
26 officer, justice, judge, commissioner, public defender, prosecutor, **CODE**
27 **ENFORCEMENT OFFICER**, victim of domestic violence or stalking or person who is
28 protected under an order of protection or injunction against harassment shall
29 present to the county recorder at the time of recordation a certified copy of
30 the court order. The recorder shall ensure that public access shall be
31 restricted pursuant to subsection A of this section.

32 L. This section shall not be interpreted to restrict access to public
33 records for the purposes of perfecting a lien pursuant to title 12, chapter
34 9, article 2.

35 M. This section does not prohibit access to the records of the county
36 recorder by parties to the instrument, a title insurer, a title insurance
37 agent or an escrow agent licensed by the department of insurance or the
38 department of banking.

39 N. For the purposes of this section:

40 1. **"CODE ENFORCEMENT OFFICER" MEANS A PERSON WHO IS EMPLOYED BY A**
41 **STATE OR LOCAL GOVERNMENT AND WHOSE DUTIES INCLUDE PERFORMING FIELD**
42 **INSPECTIONS OF BUILDINGS, STRUCTURES OR PROPERTY TO ENSURE COMPLIANCE WITH**
43 **AND ENFORCE NATIONAL, STATE AND LOCAL LAWS, ORDINANCES AND CODES.**

44 ~~1.~~ 2. **"Commissioner"** means a commissioner of the superior court.

1 ~~2-~~ 3. "Indexes" means only those indexes that are maintained by and
2 located in the office of the county recorder, that are accessed
3 electronically and that contain information beginning from and after January
4 1, 1987.

5 ~~3-~~ 4. "Judge" means a judge of the United States district court, the
6 United States court of appeals, the United States magistrate court, the
7 United States bankruptcy court, the Arizona court of appeals, the superior
8 court or a municipal court.

9 ~~4-~~ 5. "Justice" means a justice of the United States or Arizona
10 supreme court or a justice of the peace.

11 ~~5-~~ 6. "Peace officer" means any person vested by law, or formerly
12 vested by law, with a duty to maintain public order and make arrests.

13 ~~6-~~ 7. "Prosecutor" means a county attorney, a municipal prosecutor,
14 the attorney general or a United States attorney and includes an assistant or
15 deputy United States attorney, county attorney, municipal prosecutor or
16 attorney general.

17 ~~7-~~ 8. "Public defender" means a federal public defender, county
18 public defender, county legal defender or county contract indigent defense
19 counsel and includes an assistant or deputy federal public defender, county
20 public defender or county legal defender.

21 ~~8-~~ 9. "Stalking" means the course of conduct prescribed in section
22 13-2923.

23 ~~9-~~ 10. "Victim of domestic violence" means a person who is a victim
24 of an offense defined in section 13-3601.

25 Sec. 3. Section 11-484, Arizona Revised Statutes, as amended by Laws
26 2006, chapter 299, section 4, is amended to read:

27 11-484. Records maintained by county assessor and county
28 treasurer; redaction; definitions

29 A. Notwithstanding any other provision of this article, in any county
30 a peace officer, justice, judge, commissioner, public defender, prosecutor,
31 **CODE ENFORCEMENT OFFICER**, victim of domestic violence or stalking or person
32 who is protected under an order of protection or injunction against
33 harassment may request that the general public be prohibited from accessing
34 that person's residential address and telephone number that are contained in
35 instruments, writings and information maintained by the county assessor and
36 the county treasurer.

37 B. A peace officer, justice, judge, commissioner, public defender,
38 prosecutor, **CODE ENFORCEMENT OFFICER**, victim of domestic violence or stalking
39 or person who is protected under an order of protection or injunction against
40 harassment may request this action by filing an affidavit that states all of
41 the following on an application form developed by the administrative office
42 of the courts in agreement with an association of counties, an organization
43 of peace officers and the motor vehicle division of the department of
44 transportation:

45 1. The person's full legal name and residential address.

1 2. The full legal description and parcel number of the person's
2 property.

3 3. The position the person currently holds and a description of the
4 person's duties, except that a person who is a victim of domestic violence or
5 stalking shall state that the person is a victim of domestic violence or
6 stalking and shall attach documentation supporting the claim, including a
7 true and correct copy of any of the following:

8 (a) Findings from a court of competent jurisdiction.

9 (b) Police reports.

10 (c) Medical records.

11 (d) Child protective services records.

12 (e) Domestic violence shelter records.

13 (f) School records.

14 4. The reasons the person reasonably believes that the person's life
15 or safety or that of another person is in danger and that redacting the
16 residential address and telephone number will serve to reduce the danger.

17 C. If a peace officer, justice, judge, commissioner, public defender,
18 prosecutor, **CODE ENFORCEMENT OFFICER**, victim of domestic violence or stalking
19 or person who is protected under an order of protection or injunction against
20 harassment is also requesting pursuant to section 11-483 that the general
21 public be prohibited from accessing records maintained by the county
22 recorder, the peace officer, justice, judge, commissioner, public defender,
23 prosecutor, **CODE ENFORCEMENT OFFICER**, victim of domestic violence or stalking
24 or person who is protected under an order of protection or injunction against
25 harassment may combine the request pursuant to subsection B of this section
26 with the request pursuant to section 11-483 by filing one affidavit. The
27 affidavit and subsequent action by the appropriate authorities shall meet all
28 of the requirements of this section and section 11-483.

29 D. The affidavit shall be filed with the presiding judge of the
30 superior court in the county in which the affiant resides. To prevent a
31 multiplicity of filings, a peace officer, public defender, ~~or~~ prosecutor **OR**
32 **CODE ENFORCEMENT OFFICER** shall deliver the affidavit to the peace officer's
33 commanding officer, or to the head of the prosecuting, ~~or~~ public defender **OR**
34 **CODE ENFORCEMENT** agency, as applicable, or that person's designee, who shall
35 file the affidavits at one time. In the absence of an affidavit that
36 contains a request for immediate action and that is supported by facts
37 justifying an earlier presentation, the commanding officer, or the head of
38 the prosecuting, ~~or~~ public defender **OR CODE ENFORCEMENT** agency, as
39 applicable, or that person's designee, shall not file affidavits more often
40 than quarterly.

41 E. On receipt of an affidavit or affidavits, the presiding judge of
42 the superior court shall file with the clerk of the superior court a petition
43 on behalf of all requesting affiants. Each affidavit presented shall be
44 attached to the petition. In the absence of an affidavit that contains a
45 request for immediate action and that is supported by facts justifying an

1 earlier consideration, the presiding judge may accumulate affidavits and file
2 a petition at the end of each quarter.

3 F. The presiding judge of the superior court shall review the petition
4 and each attached affidavit to determine whether the action requested by each
5 affiant should be granted. If the presiding judge of the superior court
6 concludes that the action requested by the affiant will reduce a danger to
7 the life or safety of the affiant or another person, the presiding judge of
8 the superior court shall order the redaction of the affiant's residential
9 address and telephone number that are contained in instruments, writings and
10 information maintained by the county assessor and the county treasurer. The
11 redaction shall be in effect for five years.

12 G. On motion to the court, if the presiding judge of the superior
13 court concludes that an instrument or writing maintained by the county
14 assessor or the county treasurer has been redacted or sealed in error, that
15 the original affiant no longer lives at the address listed in the original
16 affidavit, that the cause for the original affidavit no longer exists or that
17 temporary access to the instrument or writing is needed, the presiding judge
18 may temporarily stay or permanently vacate all or part of the court order
19 prohibiting public access to the instrument or writing.

20 H. On entry of the court order, the clerk of the superior court shall
21 file the court order and a copy of the affidavit required by subsection B of
22 this section with the county assessor and the county treasurer. No more than
23 ten days after the date on which the county assessor and the county treasurer
24 receive the court order, the county assessor and the county treasurer shall
25 restrict access to the information as required by subsection F of this
26 section.

27 I. If the court denies an affiant's request pursuant to this section,
28 the affiant may request a court hearing. The hearing shall be conducted by
29 the court in the county where the petition was filed.

30 J. The county assessor and the county treasurer shall remove the
31 restrictions on all records that are redacted pursuant to this section by
32 January 5 in the year after the court order expires.

33 K. For the purposes of this section:

34 1. "CODE ENFORCEMENT OFFICER" MEANS A PERSON WHO IS EMPLOYED BY A
35 STATE OR LOCAL GOVERNMENT AND WHOSE DUTIES INCLUDE PERFORMING FIELD
36 INSPECTIONS OF BUILDINGS, STRUCTURES OR PROPERTY TO ENSURE COMPLIANCE WITH
37 AND ENFORCE NATIONAL, STATE AND LOCAL LAWS, ORDINANCES AND CODES.

38 ~~1-~~ 2. "Commissioner" means a commissioner of the superior court.

39 ~~2-~~ 3. "Judge" means a judge of the United States district court, the
40 United States court of appeals, the United States magistrate court, the
41 United States bankruptcy court, the Arizona court of appeals, the superior
42 court or a municipal court.

43 ~~3-~~ 4. "Justice" means a justice of the United States or Arizona
44 supreme court or a justice of the peace.

1 ~~4.~~ 5. "Peace officer" means any person vested by law, or formerly
2 vested by law, with a duty to maintain public order and make arrests.

3 ~~5.~~ 6. "Prosecutor" means a county attorney, a municipal prosecutor,
4 the attorney general or a United States attorney and includes an assistant or
5 deputy United States attorney, county attorney, municipal prosecutor or
6 attorney general.

7 ~~6.~~ 7. "Public defender" means a federal public defender, county
8 public defender, county legal defender or county contract indigent defense
9 counsel and includes an assistant or deputy federal public defender, county
10 public defender or county legal defender.

11 ~~7.~~ 8. "Stalking" means the course of conduct prescribed in section
12 13-2923.

13 ~~8.~~ 9. "Victim of domestic violence" means a person who is a victim of
14 an offense defined in section 13-3601.

15 Sec. 4. Section 15-481, Arizona Revised Statutes, as amended by Laws
16 2006, chapter 44, section 2 and chapter 217, section 4, is amended to read:

17 15-481. Override election; budget increases; notice; ballot;
18 effect

19 A. If ~~the~~ A proposed budget of a school district exceeds the aggregate
20 budget limit for the budget year, **AT LEAST NINETY DAYS BEFORE THE PROPOSED**
21 **ELECTION** the governing board shall order an override election to be held ~~not~~
22 ~~less than ninety days from the date of the order~~ **ON THE FIRST TUESDAY**
23 **FOLLOWING THE FIRST MONDAY IN NOVEMBER AS PRESCRIBED BY SECTION 16-204,**
24 **SUBSECTION B, PARAGRAPH 1, SUBDIVISION (d)** for the purpose of presenting the
25 proposed budget to the qualified electors of the school district who shall by
26 a majority of those voting either affirm or reject the budget. In addition,
27 the governing board shall prepare an alternate budget which does not include
28 an increase in the budget of more than the amount permitted as provided in
29 section 15-905. If the qualified electors approve the proposed budget, the
30 governing board of the school district shall follow the procedures prescribed
31 in section 15-905 for adopting a budget that includes the authorized
32 increase. If the qualified electors disapprove the proposed budget, the
33 governing board shall follow the procedures prescribed in section 15-905 for
34 adopting a budget that does not include the proposed increase or the portion
35 of the proposed increase that exceeds the amount authorized by a previously
36 approved budget increase as prescribed in subsection P of this section.

37 B. The county school superintendent shall prepare an informational
38 report on the proposed increase in the budget and a sample ballot and, at
39 least forty days prior to the election, shall transmit the report and
40 the sample ballot to the governing board of the school district. The
41 governing board, upon receipt of the report and the ballot, shall mail or
42 distribute the report and the ballot to the households in which qualified
43 electors reside within the school district at least thirty-five days
44 prior to the election. Any distribution of material concerning the

1 proposed increase in the budget shall not be conducted by children enrolled
2 in the school district. The report shall contain the following information:
3 1. The date of the election.
4 2. The voter's polling place and the times it is open.
5 3. The proposed total increase in the budget which exceeds the amount
6 permitted pursuant to section 15-905.
7 4. The total amount of the current year's budget, the total amount of
8 the proposed budget and the total amount of the alternate budget.
9 5. If the override is for a period of more than one year, a statement
10 indicating the number of years the proposed increase in the budget would be
11 in effect and the percentage of the school district's revenue control limit
12 that the district is requesting for the future years.
13 6. The proposed total amount of revenues which will fund the increase
14 in the budget and the amount which will be obtained from a levy of taxes upon
15 the taxable property within the school district for the first year for which
16 the budget increase was adopted.
17 7. The proposed amount of revenues which will fund the increase in the
18 budget and which will be obtained from other than a levy of taxes upon the
19 taxable property within the school district for the first year for which the
20 budget increase was adopted.
21 8. The dollar amount and the purpose for which the proposed increase
22 in the budget is to be expended for the first year for which the budget
23 increase was adopted.
24 9. At least two arguments, if submitted, but no more than ten
25 arguments for and two arguments, if submitted, but no more than ten arguments
26 against the proposed increase in the budget. The arguments shall be in a
27 form prescribed by the county school superintendent and each argument shall
28 not exceed two hundred words. Arguments for the proposed increase in the
29 budget shall be provided in writing and signed by the governing board. If
30 submitted, additional arguments in favor of the proposed increase in the
31 budget shall be provided in writing and signed by those in favor. Arguments
32 against the proposed increase in the budget shall be provided in writing and
33 signed by those in opposition. The names of those persons other than the
34 governing board or superintendent submitting written arguments shall not be
35 included in the report without their specific permission, but shall be made
36 available only upon request to the county school superintendent. The county
37 school superintendent shall review all factual statements contained in the
38 written arguments and correct any inaccurate statements of fact. The
39 superintendent shall not review and correct any portion of the written
40 arguments which are identified as statements of the author's opinion. The
41 county school superintendent shall make the written arguments available to
42 the public as provided in title 39, chapter 1, article 2. A deadline for
43 submitting arguments to be included in the informational report shall be set
44 by the county school superintendent.

1 10. A statement that the alternate budget shall be adopted by the
2 governing board if the proposed budget is not adopted by the qualified
3 electors of the school district.

4 11. The full cash value, the assessed valuation, **THE FIRST YEAR TAX**
5 **RATE FOR THE PROPOSED OVERRIDE** and the estimated amount of the secondary
6 property taxes if the proposed budget is adopted for each of the following:

7 (a) An owner-occupied residence whose assessed valuation is the
8 average assessed valuation of property classified as class three, as
9 prescribed by section 42-12003 for the current year in the school district.

10 (b) An owner-occupied residence whose assessed valuation is one-half
11 of the assessed valuation of the residence in subdivision (a) of this
12 paragraph.

13 (c) An owner-occupied residence whose assessed valuation is twice the
14 assessed valuation of the residence in subdivision (a) of this paragraph.

15 (d) A business whose assessed valuation is the average of the assessed
16 valuation of property classified as class one, as prescribed by section
17 42-12001, paragraphs 12 and 13 for the current year in the school district.

18 12. If the election is conducted pursuant to subsection L or M of this
19 section, the following information:

20 (a) An executive summary of the school district's most recent capital
21 improvement plan submitted to the school facilities board.

22 (b) A complete list of each proposed capital improvement that will be
23 funded with the budget increase and a description of the proposed cost of
24 each improvement, including a separate aggregation of capital improvements
25 for administrative purposes as defined by the school facilities board.

26 (c) The tax rate associated with each of the proposed capital
27 improvements and the estimated cost of each capital improvement for the owner
28 of a single family home that is valued at eighty thousand dollars.

29 C. For the purpose of this section, the school district may use its
30 staff, equipment, materials, buildings or other resources only to distribute
31 the informational report at the school district office or at public hearings
32 and to produce such information as required in subsection B of this section,
33 provided that nothing in this subsection shall preclude school districts from
34 holding or participating in any public hearings at which testimony is given
35 by at least one person for the proposed increase and one person against the
36 proposed increase. **ANY WRITTEN INFORMATION PROVIDED BY THE DISTRICT**
37 **PERTAINING TO THE OVERRIDE ELECTION SHALL INCLUDE FINANCIAL INFORMATION**
38 **SHOWING THE ESTIMATED FIRST YEAR TAX RATE FOR THE PROPOSED BUDGET OVERRIDE**
39 **AMOUNT.**

40 D. **IF ANY AMOUNT OF THE PROPOSED INCREASE WILL BE FUNDED BY A LEVY OF**
41 **TAXES IN THE DISTRICT, THE ELECTION PRESCRIBED IN SUBSECTION A OF THIS**
42 **SECTION SHALL BE HELD ON THE FIRST TUESDAY FOLLOWING THE FIRST MONDAY IN**
43 **NOVEMBER AS PRESCRIBED BY SECTION 16-204, SUBSECTION B, PARAGRAPH 1,**
44 **SUBDIVISION (d). IF THE PROPOSED INCREASE WILL BE FULLY FUNDED BY REVENUES**
45 **FROM OTHER THAN A LEVY OF TAXES** the elections prescribed in subsection A of

1 this section shall be held on ~~a~~ ANY date prescribed by section 16-204. ~~and~~
2 THE ELECTIONS shall be conducted as nearly as practicable in the manner
3 prescribed in article 1 of this chapter, sections 15-422 through 15-424 and
4 section 15-426, relating to special elections, except that:

5 1. The notices required pursuant to section 15-403 shall be posted not
6 less than twenty-five days before the election.

7 2. Ballots shall be counted pursuant to title 16, chapter 4,
8 article 10.

9 E. If the election is to exceed the revenue control limit and if the
10 proposed increase will be fully funded by a levy of taxes upon the taxable
11 property within the school district, the ballot shall contain the words
12 "budget increase, yes" and "budget increase, no", and the voter shall signify
13 his desired choice. The ballot shall also contain the amount of the proposed
14 increase of the proposed budget over the alternate budget, a statement that
15 the amount of the proposed increase will be based on a percentage of the
16 school district's revenue control limit in future years, if applicable, as
17 provided in subsection P of this section and the following statement:

18 Any budget increase authorized by this election shall be
19 entirely funded by a levy of taxes upon the taxable property
20 within this school district for the year for which adopted and
21 for ___ subsequent years, shall not be realized from monies
22 furnished by the state and shall not be subject to the
23 limitation on taxes specified in article IX, section 18,
24 Constitution of Arizona. Based on an estimate of assessed
25 valuation used for secondary property tax purposes, TO FUND the
26 proposed increase in the school district's budget ~~over that~~
27 ~~allowed by law~~ would ~~result in~~ REQUIRE an estimated ~~increase in~~
28 ~~the school district's~~ tax rate of _____ dollar per one
29 hundred dollars of assessed valuation used for secondary
30 property tax purposes and is in addition to the school
31 district's tax rate which will be levied to fund the school
32 district's revenue control limit allowed by law.

33 F. If the election is to exceed the revenue control limit and if the
34 proposed increase will be fully funded by revenues from other than a levy of
35 taxes upon the taxable property within the school district, the ballot shall
36 contain the words "budget increase, yes" and "budget increase, no", and the
37 voter shall signify the voter's desired choice. The ballot shall also
38 contain:

39 1. The amount of the proposed increase of the proposed budget over the
40 alternate budget.

41 2. A statement that the amount of the proposed increase will be based
42 on a percentage of the school district's revenue control limit in future
43 years, if applicable, as provided in subsection P of this section.

44 3. The following statement:

1 Any budget increase authorized by this election shall be
 2 entirely funded by this school district with revenues from other
 3 than a levy of taxes on the taxable property within the school
 4 district for the year for which adopted and for _____
 5 subsequent years and shall not be realized from monies furnished
 6 by the state.

7 G. Except as provided in subsection H of this section, the maximum
 8 budget increase which may be requested and authorized as provided in
 9 subsection E or F of this section or the combination of subsections E and F
 10 of this section is ten per cent of the revenue control limit as provided in
 11 section 15-947, subsection A for the budget year.

12 H. Special budget override provisions for school districts with a
 13 student count of less than one hundred fifty-four in kindergarten programs
 14 and grades one through eight or with a student count of less than one hundred
 15 seventy-six in grades nine through twelve are as follows:

16 1. The maximum budget increase that may be requested and authorized as
 17 provided in subsections E and F of this section is the greater of the amount
 18 prescribed in subsection G of this section or a limit computed as follows:

19 (a) For common or unified districts with a student count of less than
 20 one hundred fifty-four in kindergarten programs and grades one through eight,
 21 the limit computed as prescribed in item (i) or (ii) of this subdivision,
 22 whichever is appropriate:

23 (i)

	Small School	Support Level Weight		Phase Down
Student	Student	for Small Isolated		Reduction
<u>Count</u>	<u>Count Limit</u>	<u>School Districts</u>	<u>Base Level</u>	<u>Factor</u>
_____	- <u>125</u>	x 1.358 + (0.0005 x	x \$ _____	= \$ _____
		(500 - Student Count))		
	Phase Down	Phase Down	Small Isolated	
	<u>Base</u>	<u>Reduction Factor</u>	<u>School District</u>	
	\$150,000	- \$ _____	<u>Elementary Limit</u>	= \$ _____

33 (ii)

	Small School	Support Level Weight		Phase Down
Student	Student	for Small		Reduction
<u>Count</u>	<u>Count Limit</u>	<u>School Districts</u>	<u>Base Level</u>	<u>Factor</u>
_____	- <u>125</u>	x 1.278 + (0.0003 x	x \$ _____	= \$ _____
		(500 - Student Count))		
	Phase Down	Phase Down	Small	
	<u>Base</u>	<u>Reduction Factor</u>	<u>School District</u>	
	\$150,000	- \$ _____	<u>Elementary Limit</u>	= \$ _____

43 (b) For unified or union high school districts with a student count of
 44 less than one hundred seventy-six in grades nine through twelve, the limit

1 computed as prescribed in item (i) or (ii) of this subdivision, whichever is
 2 appropriate:

3 (i)

4		Small School	Support Level Weight		Phase Down
5	Student	Student	for Small Isolated		Reduction
6	<u>Count</u>	<u>Count Limit</u>	<u>School Districts</u>	<u>Base Level</u>	<u>Factor</u>
7	<u> </u>	- <u>100</u>	x 1.468 + (0.0005 x	x \$ <u> </u>	= \$ <u> </u>
8			(500 - Student Count))		
9				Small Isolated	
10		Phase Down	Phase Down	District	
11		<u>Base</u>	<u>Reduction Factor</u>	<u>Secondary Limit</u>	
12		\$350,000	- \$ <u> </u>	= \$ <u> </u>	

13 (ii)

14		Small School	Support Level Weight		Phase Down
15	Student	Student	for Small		Reduction
16	<u>Count</u>	<u>Count Limit</u>	<u>School Districts</u>	<u>Base Level</u>	<u>Factor</u>
17	<u> </u>	- <u>100</u>	x 1.398 + (0.0004 x	x \$ <u> </u>	= \$ <u> </u>
18			(500 - Student Count))		
19				Small	
20		Phase Down	Phase Down	School District	
21		<u>Base</u>	<u>Reduction Factor</u>	<u>Secondary Limit</u>	
22		\$350,000	- \$ <u> </u>	= \$ <u> </u>	

23 (c) If both subdivisions (a) and (b) of this paragraph apply to a
 24 unified school district, its limit for the purposes of this paragraph is the
 25 combination of its elementary limit and its secondary limit.

26 (d) If only subdivision (a) or (b) of this paragraph applies to a
 27 unified school district, the district's limit for the purposes of this
 28 paragraph is the sum of the limit computed as provided in subdivision (a) or
 29 (b) of this paragraph plus ten per cent of the revenue control limit
 30 attributable to those grade levels that do not meet the eligibility
 31 requirements of this subsection. If a school district budgets monies outside
 32 the revenue control limit pursuant to section 15-949, subsection E, the
 33 district's limit for the purposes of this paragraph is only the ten per cent
 34 of the revenue control limit attributable to those grade levels that are not
 35 included under section 15-949, subsection E. For the purposes of this
 36 subdivision, the revenue control limit is separated into elementary and
 37 secondary components based on the weighted student count as provided in
 38 section 15-971, subsection B, paragraph 2, subdivision (a).

39 2. If a school district utilizes the provisions of this subsection to
 40 request an override of more than one year, the ballot shall include an
 41 estimate of the amount of the proposed increase in the future years in place
 42 of the statement that the amount of the proposed increase will be based on a
 43 percentage of the school district's revenue control limit in future years, as
 44 prescribed in subsections E and F of this section.

1 3. Notwithstanding subsection P of this section, the maximum period of
2 an override authorized pursuant to this subsection is five years.

3 4. Subsection P, paragraphs 1 and 2 of this section do not apply to
4 overrides authorized pursuant to this subsection.

5 I. If the election is to exceed the revenue control limit as provided
6 in section 15-482 and if the proposed increase will be fully funded by a levy
7 of taxes on the taxable property within the school district, the ballot shall
8 contain the words "budget increase, yes" and "budget increase, no", and the
9 voter shall signify the voter's desired choice. The ballot shall also
10 contain the amount of the proposed increase of the budget over the alternate
11 budget, a statement that the amount of the proposed increase will be based on
12 a percentage of the school district's revenue control limit in future years,
13 if applicable, as provided in subsection Q of this section, and the following
14 statement:

15 Any budget increase authorized by this election shall be
16 entirely funded by a levy of taxes on the taxable property
17 within this school district for the year for which adopted and
18 for ____ subsequent years, shall not be realized from monies
19 furnished by the state and shall not be subject to the
20 limitation on taxes specified in article IX, section 18,
21 Constitution of Arizona. Based on an estimate of assessed
22 valuation used for secondary property tax purposes, ~~the portion~~
23 ~~of TO FUND~~ the proposed increase in the school district's budget
24 ~~over that allowed by law~~ which will be funded by a levy of taxes
25 upon the taxable property within this school district would
26 ~~result in~~ REQUIRE an estimated ~~increase in the school district's~~
27 tax rate of _____ dollar per one hundred dollars of
28 assessed valuation used for secondary property tax purposes and
29 is in addition to the school district's tax rate that will be
30 levied to fund the school district's revenue control limit
31 allowed by law.

32 J. If the election is to exceed the revenue control limit as provided
33 in section 15-482 and if the proposed increase will be fully funded by
34 revenues other than a levy of taxes on the taxable property within the school
35 district, the ballot shall contain the words "budget increase, yes" and
36 "budget increase, no", and the voter shall signify the voter's desired
37 choice. The ballot shall also contain the amount of the proposed increase of
38 the proposed budget over the alternate budget, a statement that the amount of
39 the proposed increase will be based on a percentage of the school district's
40 revenue control limit in future years, if applicable, as provided in
41 subsection Q of this section and the following statement:

42 Any budget increase authorized by this election shall be
43 entirely funded by this school district with revenues from other
44 than a levy of taxes on the taxable property within the school
45 district for the year for which adopted and for ____ subsequent

1 years and shall not be realized from monies furnished by the
2 state.

3 K. The maximum budget increase that may be requested and authorized as
4 provided in subsection I or J of this section, or a combination of both of
5 these subsections, is five per cent of the revenue control limit as provided
6 in section 15-947, subsection A for the budget year. For a unified school
7 district, a common school district not within a high school district or a
8 common school district within a high school district that offers instruction
9 in high school subjects as provided in section 15-447, five per cent of the
10 revenue control limit means five per cent of the revenue control limit
11 attributable to the weighted student count in preschool programs for children
12 with disabilities, kindergarten programs and grades one through eight as
13 provided in section 15-971, subsection B.

14 L. If the election is to exceed the capital outlay revenue limit and
15 if the proposed increase will be fully funded by a levy of taxes upon the
16 taxable property within the school district, the ballot shall contain the
17 words "budget increase, yes" and "budget increase, no", and the voter shall
18 signify the voter's desired choice. An election held pursuant to this
19 subsection shall be held on the first Tuesday after the first Monday of
20 November. The ballot shall also contain the amount of the proposed increase
21 of the proposed budget over the alternate budget and the following statement:

22 Any budget increase authorized by this election shall be
23 entirely funded by a levy of taxes upon the taxable property
24 within this school district for the year in which adopted and
25 for ____ subsequent years, shall not be realized from monies
26 furnished by the state and shall not be subject to the
27 limitation on taxes specified in article IX, section 18,
28 Constitution of Arizona. Based on an estimate of assessed
29 valuation used for secondary property tax purposes, ~~TO FUND~~ the
30 proposed increase in the school district's budget ~~over that~~
31 ~~allowed by law~~ would ~~result in~~ REQUIRE an estimated ~~increase in~~
32 ~~the school district's~~ tax rate of _____ dollar per one
33 hundred dollars of assessed valuation used for secondary
34 property tax purposes and is in addition to the school
35 district's tax rate which will be levied to fund the school
36 district's capital outlay revenue limit allowed by law.

37 M. If the election is to exceed the capital outlay revenue limit and
38 if the proposed increase will be fully funded by revenues from other than a
39 levy of taxes upon the taxable property within the school district, the
40 ballot shall contain the words "budget increase, yes" and "budget increase,
41 no", and the voter shall signify the voter's desired choice. An election
42 held pursuant to this subsection shall be held on the first Tuesday after the
43 first Monday of November. The ballot shall also contain the amount of the
44 proposed increase of the proposed budget over the alternate budget and the
45 following statement:

1 Any budget increase authorized by this election shall be
2 entirely funded by this school district with revenues from other
3 than a levy of taxes on the taxable property within the school
4 district for the year in which adopted and for _____ subsequent
5 years and shall not be realized from monies furnished by the
6 state.

7 N. If the election is to exceed a combination of the revenue control
8 limit as provided in subsection E or F of this section, the revenue control
9 limit as provided in subsection I or J of this section or the capital outlay
10 revenue limit as provided in subsection L or M of this section, the ballot
11 shall be prepared so that the voters may vote on each proposed increase
12 separately and shall contain statements required in the same manner as if
13 each proposed increase were submitted separately.

14 O. If the election provides for a levy of taxes on the taxable
15 property within the school district, at least thirty days prior to the
16 election, the department of revenue shall provide the school district
17 governing board and the county school superintendent with an estimate of the
18 school district's assessed valuation used for secondary property tax purposes
19 for the ensuing fiscal year. The governing board and the county school
20 superintendent shall use this estimate to translate the amount of the
21 proposed dollar increase in the budget of the school district over that
22 allowed by law into a tax rate figure.

23 P. If the voters in a school district vote to adopt a budget in excess
24 of the revenue control limit as provided in subsection E or F of this
25 section, any additional increase shall be included in the aggregate budget
26 limit for each of the years authorized. Any additional increase shall be
27 excluded from the determination of equalization assistance. The school
28 district governing board may, however, levy on the assessed valuation used
29 for secondary property tax purposes of the property in the school district
30 the additional increase if adopted under subsection E of this section for the
31 period of one year, two years or five through seven years as authorized. If
32 an additional increase is approved as provided in subsection F of this
33 section, the school district governing board may only use revenues derived
34 from the school district's prior year's maintenance and operation fund ending
35 cash balance to fund the additional increase. If a budget increase was
36 previously authorized and will be in effect for the budget year or budget
37 year and subsequent years, as provided in subsection E or F of this section,
38 the governing board may request a new budget increase as provided in the same
39 subsection under which the prior budget increase was adopted which shall not
40 exceed the maximum amount permitted under subsection G of this section. If
41 the voters in the school district authorize the new budget increase amount,
42 the existing budget increase no longer is in effect. If the voters in the
43 school district do not authorize the budget increase amount, the existing
44 budget increase remains in effect for the time period for which it was
45 authorized. The maximum additional increase authorized as provided in

1 subsection E or F of this section and the additional increase which is
2 included in the aggregate budget limit is based on a percentage of a school
3 district's revenue control limit in future years, if the budget increase is
4 authorized for more than one year. If the additional increase:

5 1. Is for two years, the proposed increase in the second year is equal
6 to the initial proposed percentage increase.

7 2. Is for five years or more, the proposed increase is equal to the
8 initial proposed percentage increase in the following years of the proposed
9 increase, except that in the next to last year it is two-thirds of the
10 initial proposed percentage increase and it is one-third of the initial
11 proposed percentage increase in the last year of the proposed increase.

12 Q. If the voters in a school district vote to adopt a budget in excess
13 of the revenue control limit as provided in subsection I or J of this
14 section, any additional increase shall be included in the aggregate budget
15 limit for each of the years authorized. Any additional increase shall be
16 excluded from the determination of equalization assistance. The school
17 district governing board, however, may levy on the assessed valuation used
18 for secondary property tax purposes of the property in the school district
19 the additional increase if adopted under subsection I of this section for the
20 period of one year, two years or five through seven years as authorized. If
21 an additional increase is approved as provided in subsection J of this
22 section, the increase may only be budgeted and expended if sufficient monies
23 are available in the maintenance and operation fund of the school district.
24 If a budget increase was previously authorized and will be in effect for the
25 budget year or budget year and subsequent years, as provided in subsection I
26 or J of this section, the governing board may request a new budget increase
27 as provided in the same subsection under which the prior budget increase was
28 adopted that does not exceed the maximum amount permitted under subsection K
29 of this section. If the voters in the school district authorize the new
30 budget increase amount, the existing budget increase no longer is in
31 effect. If the voters in the school district do not authorize the budget
32 increase amount, the existing budget increase remains in effect for the time
33 period for which it was authorized. The maximum additional increase
34 authorized as provided in subsection I or J of this section and the
35 additional increase that is included in the aggregate budget limit is based
36 on a percentage of a school district's revenue control limit in future years,
37 if the budget increase is authorized for more than one year. If the
38 additional increase:

39 1. Is for two years, the proposed increase in the second year is equal
40 to the initial proposed percentage increase.

41 2. Is for five years or more, the proposed increase is equal to the
42 initial proposed percentage increase in the following years of the proposed
43 increase, except that in the next to last year it is two-thirds of the
44 initial proposed percentage increase and it is one-third of the initial
45 proposed percentage increase in the last year of the proposed increase.

1 R. If the voters in a school district vote to adopt a budget in excess
2 of the capital outlay revenue limit as provided in subsection L of this
3 section, any additional increase shall be included in the aggregate budget
4 limit for each of the years authorized. The additional increase shall be
5 excluded from the determination of equalization assistance. The school
6 district governing board may, however, levy on the assessed valuation used
7 for secondary property tax purposes of the property in the school district
8 the additional increase for the period authorized but not to exceed ten
9 years. For overrides approved by a vote of the qualified electors of the
10 school district at an election held from and after October 31, 1998, the
11 period of the additional increase prescribed in this subsection shall not
12 exceed seven years for any capital override election.

13 S. If the voters in a school district vote to adopt a budget in excess
14 of the capital outlay revenue limit as provided in subsection M of this
15 section, any additional increase shall be included in the aggregate budget
16 limit for each of the years authorized. The additional increase shall be
17 excluded from the determination of equalization assistance. The school
18 district governing board may only use revenues derived from the school
19 district's prior year's maintenance and operation fund ending cash balance
20 and capital outlay fund ending cash balance to fund the additional increase
21 for the period authorized but not to exceed ten years. For overrides
22 approved by a vote of the qualified electors of the school district at an
23 election held from and after October 31, 1998, the period of the additional
24 increase prescribed in this subsection shall not exceed seven years for any
25 capital override election.

26 T. In addition to subsections P and S of this section, from the
27 maintenance and operation fund and capital outlay fund ending cash balances,
28 the school district governing board shall first use any available revenues to
29 reduce its primary tax rate to zero and shall use any remaining revenues to
30 fund the additional increase authorized as provided in subsections F and M of
31 this section.

32 U. If the voters in a school district disapprove the proposed budget,
33 the alternate budget which, except for any budget increase authorized by a
34 prior election, does not include an increase in the budget in excess of the
35 amount provided in section 15-905 shall be adopted by the governing board as
36 provided in section 15-905.

37 V. The governing board may request that any override election be
38 cancelled if any change in chapter 9 of this title changes the amount of the
39 aggregate budget limit as provided in section 15-905. The request to cancel
40 the override election shall be made to the county school superintendent at
41 least ten days prior to the date of the scheduled override election.

42 W. For any election conducted pursuant to subsection L or M of this
43 section:

44 1. The ballot shall include the following statement in addition to any
45 other statement required by this section:

1 The capital improvements that are proposed to be funded
2 through this override election are to exceed the state standards
3 and are in addition to monies provided by the state.

4 _____ school district is proposing to increase its
5 budget by \$_____ to fund capital improvements over and
6 above those funded by the state. Under the students first
7 capital funding system, _____ school district is entitled to
8 state monies for building renewal, new construction and
9 renovation of school buildings in accordance with state law.

10 2. The ballot shall contain the words "budget increase, yes" and
11 "budget increase, no", and the voter shall signify the voter's desired
12 choice.

13 3. At least eighty-five days before the election, the school district
14 shall submit proposed ballot language to the director of the Arizona
15 legislative council. The director of the Arizona legislative council shall
16 review the proposed ballot language to determine whether the proposed ballot
17 language complies with this section. If the director of the Arizona
18 legislative council determines that the proposed ballot language does not
19 comply with this section, the director, within ten calendar days of the
20 receipt of the proposed ballot language, shall notify the school district of
21 the director's objections and the school district shall resubmit revised
22 ballot language to the director for approval.

23 X. If the voters approve the budget increase pursuant to subsection L
24 or M of this section, the school district shall not use the override proceeds
25 for any purposes other than the proposed capital improvements listed in the
26 publicity pamphlet, except that up to ten per cent of the override proceeds
27 may be used for general capital expenses, including cost overruns of proposed
28 capital improvements.

29 Y. Each school district that currently increases its budget pursuant
30 to subsection L or M of this section is required to hold a public meeting
31 each year between September 1 and October 31 at which an update of the
32 progress of capital improvements financed through the override is discussed
33 and at which the public is permitted an opportunity to comment. At a
34 minimum, the update shall include a comparison of the current status and the
35 original projections on the construction of capital improvements, the costs
36 of capital improvements and the costs of capital improvements in progress or
37 completed since the prior meeting and the future capital plans of the school
38 district. The school district shall include in the public meeting a
39 discussion of the school district's use of state capital aid and
40 voter-approved bonding in funding capital improvements, if any.

41 Z. If a budget in excess of the capital outlay revenue limit was
42 previously adopted by the voters in a school district and will be in effect
43 for the budget year or budget year and subsequent years, as provided in
44 subsection L or M of this section, the governing board may request an
45 additional budget in excess of the capital outlay revenue limit. If the

1 voters in a school district authorize the additional budget in excess of the
2 capital outlay revenue limit, the existing capital outlay revenue limit
3 budget increase remains in effect.

4 Sec. 5. Repeal

5 Section 15-481, Arizona Revised Statutes, as amended by Laws 2006,
6 chapter 354, section 12, is repealed.

7 Sec. 6. Section 15-491, Arizona Revised Statutes, as amended by Laws
8 2006, chapter 44, section 3 and chapter 217, section 5, is amended to read:
9 15-491. Elections on school property; exceptions

10 A. The governing board of a school district may, and upon petition of
11 fifteen per cent of the school electors as shown by the poll list at the last
12 preceding annual school election shall, call an election for the following
13 purposes:

14 1. To locate or change the location of school buildings.

15 2. To purchase or sell school sites or buildings or sell school sites
16 pursuant to section 15-342 or to build school buildings, but the
17 authorization by vote of the school district shall not necessarily specify
18 the site to be purchased.

19 3. To decide whether the bonds of the school district shall be issued
20 and sold for the purpose of raising money for purchasing or leasing school
21 lots, for building or renovating school buildings, for improving school
22 grounds, for purchasing pupil transportation vehicles or for liquidating any
23 indebtedness already incurred for such purposes. Except as provided in
24 section 15-1021, subsection H, the proceeds of class B bonds or impact aid
25 revenue bonds shall not be used for soft capital purposes except for pupil
26 transportation vehicles. A school district shall not issue class B bonds
27 until the school district has obligated in contract the entire proceeds of
28 any class A bonds issued by the school district. The total amount of class A
29 and class B bonds issued by a school district shall not exceed the debt
30 limitations prescribed in article IX, sections 8 and 8.1, Constitution of
31 Arizona.

32 4. To lease for five or more years, as lessor or as lessee, school
33 buildings or grounds. Approval by a majority of the school district electors
34 voting authorizes the governing board to negotiate for and enter into a
35 lease. The ballot shall list the school buildings or grounds for which a
36 lease is sought. If the governing board does not enter into a lease of five
37 or more years of the school buildings or grounds listed on the ballot within
38 five years of the date of the election and the board continues to seek such a
39 lease, the governing board shall call a special election to reauthorize the
40 board to negotiate for and to enter into a lease of five or more years.

41 B. No petition shall be required for the holding of the first election
42 to be held in a joint common school district for any of the purposes
43 specified in subsection A of this section. The notice of election required
44 by section 15-492 shall be published in each of the counties which comprise
45 the joint common school district. The certification of election results

1 required by section 15-493 shall be made to the board of supervisors of the
2 jurisdictional county.

3 C. When the election is called to determine whether or not bonds of
4 the school district shall be issued and sold for the purposes enumerated in
5 the call for the election, the question shall be submitted to the vote of the
6 qualified electors of the school district as defined in section 15-401 and
7 subject to the provisions of section 15-402.

8 D. The governing board shall order the election to be held in the
9 manner prescribed in title 35, chapter 3, article 3. If a petition for an
10 election has been filed with the governing board as provided in subsection A
11 of this section, the board shall act upon the petition within sixty days by
12 ordering the election to be held as provided in this subsection. If a school
13 district bond election is scheduled for the same date a school district will
14 hold an override election, the governing body shall deliver a copy of the
15 notice of election and ballot to the county school superintendent who shall
16 include the notice of election and ballot with the information report and
17 ballot prepared for the override election. Mailing of the information
18 required for both the override and bond elections shall constitute compliance
19 with the notice provisions of this section.

20 E. The elections to be held pursuant to this section shall only be
21 held on dates prescribed by section 16-204, except that elections held
22 pursuant to this section to decide whether class B bonds shall be issued, **OR**
23 **ANY OTHER OBLIGATION INCURRED THAT WILL REQUIRE THE ASSESSMENT OF SECONDARY**
24 **PROPERTY TAXES**, shall only be held on the first Tuesday after the first
25 Monday of November.

26 F. Subsection A, paragraph 2 of this section does not apply to the
27 sale of school property if the market value of the school property is less
28 than fifty thousand dollars.

29 G. Bond counsel fees, financial advisory fees, printing costs and
30 paying agent and registrar fees for bonds issued pursuant to an election
31 under this section shall be paid from either the amount authorized by the
32 qualified electors of the school district or current operating funds. Bond
33 election expenses shall be paid from current operating funds only.

34 H. For any election conducted to decide whether class B bonds will be
35 issued pursuant to this section:

36 1. Except as provided in paragraph 2 of this subsection, the ballot
37 shall include the following statement:

38 The capital improvements that are proposed to be funded
39 through this bond issuance are to exceed the state standards and
40 are in addition to monies provided by the state.

41 _____ school district is proposing to issue class B
42 general obligation bonds totaling \$_____ to fund capital
43 improvements over and above those funded by the state. Under
44 the students first capital funding system, _____ school
45 district is entitled to state monies for building renewal, new

1 construction and renovation of school buildings in accordance
2 with state law.

3 2. For a school district that is a joint technological education
4 district, the ballot shall include the following statement:

5 _____, a joint technological education district, is
6 proposing to issue class B general obligation bonds totaling
7 \$_____ to fund capital improvements at the main campus of
8 the joint technological education district.

9 3. The ballot shall contain the words "bond approval, yes" and "bond
10 approval, no", and the voter shall signify the voter's desired choice.

11 4. The ballot shall also contain the phrase "the issuance of these
12 bonds will result in an annual levy of property taxes sufficient to pay the
13 debt on the bonds".

14 5. At least eighty-five days before the election, the school district
15 shall submit proposed ballot language to the director of the Arizona
16 legislative council. The director of the Arizona legislative council shall
17 review the proposed ballot language to determine whether the proposed ballot
18 language complies with this section. If the director of the Arizona
19 legislative council determines that the proposed ballot language does not
20 comply with this section, the director, within ten calendar days of the
21 receipt of the proposed ballot language, shall notify the school district of
22 the director's objections and the school district shall resubmit revised
23 ballot language to the director for approval.

24 6. No later than thirty-five days before a class B bond election
25 conducted pursuant to this section, the school district shall mail
26 a publicity pamphlet to each household that contains a qualified elector in
27 the school district. The publicity pamphlet shall contain, at a minimum, the
28 following information:

29 (a) An executive summary of the school district's most recent capital
30 plan submitted to the school facilities board.

31 (b) A complete list of each proposed capital improvement that will be
32 funded with the proceeds of the bonds and a description of the proposed cost
33 of each improvement, including a separate aggregation of capital improvements
34 for administrative purposes as defined by the school facilities board.

35 (c) The tax rate associated with each of the proposed capital
36 improvements and the estimated cost of each capital improvement for the owner
37 of a single family home that is valued at one hundred thousand dollars.

38 I. For any election conducted to decide whether impact aid revenue
39 bonds shall be issued pursuant to this section:

40 1. The ballot shall include the following statement:

41 The capital improvements that are proposed to be funded
42 through this bond issuance are to exceed the state standards and
43 are in addition to monies provided by the state.

44 _____ school district is proposing to issue impact
45 aid revenue bonds totaling \$_____ to fund capital

1 improvements over and above those funded by the state. Under
2 the students first capital funding system, _____ school
3 district is entitled to state monies for building renewal, new
4 construction and renovation of school buildings in accordance
5 with state law.

6 2. The ballot shall contain the words "bond approval, yes" and "bond
7 approval, no", and the voter shall signify the voter's desired choice.

8 3. At least eighty-five days before the election, the school district
9 shall submit proposed ballot language to the director of the legislative
10 council. The director of the legislative council shall review the proposed
11 ballot language to determine whether the proposed ballot language complies
12 with this section. If the director of the legislative council determines
13 that the proposed ballot language does not comply with this section, the
14 director, within ten calendar days of the receipt of the proposed ballot
15 language, shall notify the school district of the director's objections and
16 the school district shall resubmit revised ballot language to the director
17 for approval.

18 4. No later than thirty-five days before an impact aid revenue bond
19 election conducted pursuant to this section, the school district shall mail a
20 publicity pamphlet to each household that contains a qualified elector in the
21 school district. The publicity pamphlet shall contain, at a minimum, the
22 following information:

23 (a) The date of the election.

24 (b) The voter's polling place and the times it is open.

25 (c) An executive summary of the school district's most recent capital
26 plan submitted to the school facilities board.

27 (d) A complete list of each proposed capital improvement that will be
28 funded with the proceeds of the bonds and a description of the proposed cost
29 of each improvement, including a separate aggregation of capital improvements
30 for administrative purposes as defined by the school facilities board.

31 (e) A statement that impact aid revenue bonds will be fully funded by
32 aid that the school district receives from the federal government and do not
33 require a levy of taxes in the district.

34 (f) A statement that if the bonds are approved the first priority for
35 the impact aid will be to pay the debt service for the bonds and that other
36 uses of the monies are prohibited until the debt service obligation is met.

37 (g) A statement that if the impact aid revenue bonds are approved, the
38 school district shall not issue or sell class B bonds while the district has
39 existing indebtedness from impact aid revenue bonds, except for bonds issued
40 to refund any bonds issued by the board.

41 J. If the voters approve the issuance of school district class B bonds
42 or impact aid revenue bonds, the school district shall not use the bond
43 proceeds for any purposes other than the proposed capital improvements listed
44 in the publicity pamphlet, except that up to ten per cent of the bond

1 proceeds may be used for general capital expenses, including cost overruns of
2 proposed capital improvements.

3 K. Each school district that issues bonds under this section is
4 required to hold a public meeting each year between September 1 and October
5 31, until the bond proceeds are spent, at which an update of the progress of
6 capital improvements financed through bonding is discussed and at which the
7 public is permitted an opportunity to comment. At a minimum, the update
8 shall include a comparison of the current status and the original projections
9 on the construction of capital improvements, the costs of capital
10 improvements and the costs of capital improvements in progress or completed
11 since the prior meeting and the future capital bonding plans of the school
12 district. The school district shall include in the public meeting a
13 discussion of the school district's use of state capital aid and
14 voter-approved capital overrides in funding capital improvements, if any.

15 Sec. 7. Repeal

16 Section 15-491, Arizona Revised Statutes, as amended by Laws 2006,
17 chapter 354, section 13, is repealed.

18 Sec. 8. Heading repeal

19 The article heading of former title 23, chapter 2, article 8, Arizona
20 Revised Statutes, is repealed.

21 Sec. 9. Delayed repeal

22 Section 36-2007, Arizona Revised Statutes, is repealed from and after
23 June 30, 2008.

24 Sec. 10. Section 42-1116, Arizona Revised Statutes, as amended by Laws
25 2006, chapter 354, section 24, is amended to read:

26 42-1116. Disposition of tax revenues

27 A. The department shall promptly deposit, pursuant to sections 35-146
28 and 35-147, all monies it collects from the taxes administered pursuant to
29 this article except the telecommunication services excise tax, separately
30 accounting for each type of tax and each tax classification within each type
31 of tax. At the same time the department of revenue shall also furnish copies
32 of the transmittal schedules to the director of the department of
33 administration.

34 B. Except as provided by subsection C of this section, the department
35 shall deposit all monies and remittances received under this section to the
36 credit of the following specific funds and accounts:

37 1. Amounts sufficient to meet the requirements for tax refunds to the
38 tax refund account established in section 42-1117.

39 2. Amounts sufficient to meet the requirements of urban revenue
40 sharing to the urban revenue sharing fund established in section 43-206.

41 3. Amounts collected pursuant to chapter 5, articles 1 and 5 of this
42 title and section 42-5352, subsection A, ~~to~~ the transaction privilege and
43 severance tax clearing account established by section 42-5029.

44 4. Through June 30, 2010 amounts sufficient to meet the requirements
45 of section 42-3104 to the corrections fund.

1 5. Amounts sufficient to meet the requirements of section 49-282,
2 subsection B relating to the water quality assurance revolving fund.

3 6. All remaining monies to the state general fund.

4 C. From the monies and remittances received under this section, each
5 month beginning July, 2001 the state treasurer shall transmit to the tourism
6 and sports authority, established by title 5, chapter 8, for deposit in its
7 facility revenue clearing account established by section 5-834, ~~the greater~~
8 ~~of:~~

9 ~~1. one-twelfth of the amount reported by the department pursuant to~~
10 ~~section 43-209.~~

11 ~~2. Two hundred ninety-two thousand dollars per month for the first~~
12 ~~twelve month period, increased in each subsequent twelve month period by an~~
13 ~~additional eight per cent over the prior twelve months' distribution.~~

14 Sec. 11. Repeal

15 Section ~~42-1116~~, Arizona Revised Statutes, as amended by Laws 2006,
16 chapter 351, section 5, is repealed.

17 Sec. 12. Section 42-3203, Arizona Revised Statutes, as added by Laws
18 1997, chapter 150, section 59, is amended to read:

19 ~~42-3203. Stamped packages required for cigarettes; exception~~

20 A. ~~EXCEPT AS OTHERWISE PROVIDED IN THIS CHAPTER~~, all cigarettes on
21 which a tax is imposed by this chapter shall be placed in packages or
22 containers and on each package or container shall be affixed an official
23 stamp described in section 42-3006, ~~pursuant to OR 42-3202.03. AN AFFIXED~~
24 ~~STAMP SHALL BE EVIDENCE THAT THE TAXES LEVIED BY sections 42-3052, and~~
25 ~~42-3251 AND 42-3251.01 ARE PAID.~~

26 ~~B. All cigarettes on which a tax is imposed by this chapter and which~~
27 ~~are sold or delivered by any distributor shall have affixed the luxury stamps~~
28 ~~described in section 42-3006.~~

29 B. ~~EXCEPT AS PROVIDED IN SUBSECTION C OF THIS SECTION, CIGARETTE~~
30 ~~DISTRIBUTORS ARE LIABLE FOR AFFIXING OFFICIAL STAMPS OR OTHERWISE APPLYING~~
31 ~~TAX INDICIA TO CIGARETTES THAT ARE SUBJECT TO A TAX IMPOSED BY THIS CHAPTER.~~
32 ~~A LICENSED CIGARETTE DISTRIBUTOR SHALL APPLY A STAMP TO EACH PACKAGE OF~~
33 ~~CIGARETTES THAT IS SOLD OR DISTRIBUTED IN THIS STATE AND THAT IS SUBJECT TO~~
34 ~~TAX UNDER THIS CHAPTER, INCLUDING CIGARETTES THAT ARE SUBJECT TO TAX UNDER~~
35 ~~SECTION 42-3302. A LICENSED CIGARETTE DISTRIBUTOR SHALL APPLY A TAX EXEMPT~~
36 ~~STAMP TO CIGARETTE PACKAGES THAT ARE NOT SUBJECT TO TAX UNDER SECTION~~
37 ~~42-3304, SUBSECTION A, PARAGRAPH 2.~~

38 C. CIGARETTES THAT ARE SOLD, DISTRIBUTED OR TRANSFERRED BY A
39 DISTRIBUTOR LICENSED PURSUANT TO SECTION 42-3201 TO SELL CIGARETTES ARE NOT
40 REQUIRED TO HAVE AFFIXED THE LUXURY STAMPS DESCRIBED IN SECTION 42-3006 AT
41 THE TIME THE CIGARETTES ARE SOLD, DISTRIBUTED OR TRANSFERRED TO ANOTHER
42 LICENSED DISTRIBUTOR.

43 D. CIGARETTES THAT ARE EXEMPT FROM TAX UNDER 26 UNITED STATES CODE
44 SECTION 5701 AND THAT ARE DISTRIBUTED ACCORDING TO FEDERAL REGULATIONS ARE
45 NOT SUBJECT TO TAX AND DO NOT REQUIRE A STAMP UNDER THIS CHAPTER.

1 E. A RETAILER SHALL NOT OFFER FOR SALE CIGARETTES IN QUANTITIES THAT
2 ARE NOT PACKAGED AS SUCH FOR SALE BY THE CIGARETTE MANUFACTURER.

3 F. CIGARETTE DISTRIBUTORS MAY APPLY STAMPS ONLY TO CIGARETTE PACKAGES
4 THAT THE CIGARETTE DISTRIBUTORS HAVE DIRECTLY RECEIVED FROM A LICENSED
5 CIGARETTE DISTRIBUTOR, LICENSED CIGARETTE MANUFACTURER OR LICENSED CIGARETTE
6 IMPORTER.

7 Sec. 13. Section 42-3203, Arizona Revised Statutes, as amended by
8 section 12 of this act, is amended to read:

9 42-3203. Stamped packages required for cigarettes; exception

10 A. Except as otherwise provided in this chapter, all cigarettes on
11 which a tax is imposed by this chapter shall be placed in packages or
12 containers and on each package or container shall be affixed an official
13 stamp described in section 42-3006 or 42-3202.03. An affixed stamp shall be
14 evidence that the taxes levied by sections 42-3052, 42-3251 and 42-3251.01
15 are paid.

16 B. Except as provided in subsection C of this section, cigarette
17 distributors are liable for affixing official stamps or otherwise applying
18 tax indicia to cigarettes that are subject to a tax imposed by this chapter.
19 A licensed cigarette distributor shall apply a stamp to each package of
20 cigarettes that is sold or distributed in this state and that is subject to
21 tax under this chapter, including cigarettes that are subject to tax under
22 section 42-3302. A licensed cigarette distributor shall apply a tax exempt
23 stamp to cigarette packages that are not subject to tax under section
24 42-3304, subsection A, paragraph 2. A REGISTERED INDIVIDUAL DESCRIBED IN
25 SECTION 42-3201, SUBSECTION C SHALL AFFIX THE STAMPS DESCRIBED IN SECTION
26 42-3006, SUBSECTION D TO ALL CIGARETTES THAT ARE SOLD, DISTRIBUTED OR
27 TRANSFERRED TO THE REGISTERED INDIVIDUAL TO INDICATE THAT THE REGISTERED
28 INDIVIDUAL HAS PAID ALL APPLICABLE TAXES ON THE CIGARETTES AND THAT THE
29 CIGARETTES CANNOT BE SOLD, BARTERED, EXCHANGED OR OTHERWISE TRANSFERRED FROM
30 THE REGISTERED INDIVIDUAL'S POSSESSION.

31 C. Cigarettes that are sold, distributed or transferred by a
32 distributor licensed pursuant to section 42-3201 to sell cigarettes are not
33 required to have affixed the luxury stamps described in section 42-3006 at
34 the time the cigarettes are sold, distributed or transferred to another
35 licensed distributor.

36 D. Cigarettes that are exempt from tax under 26 United States Code
37 section 5701 and that are distributed according to federal regulations are
38 not subject to tax and do not require a stamp under this chapter.

39 E. A retailer shall not offer for sale cigarettes in quantities that
40 are not packaged as such for sale by the cigarette manufacturer.

41 F. Cigarette distributors may apply stamps only to cigarette packages
42 that the cigarette distributors have directly received from a licensed
43 cigarette distributor, licensed cigarette manufacturer or licensed cigarette
44 importer.

1 ~~12-~~ 3. Pledge all or part of the revenues described in section
2 42-5031, subsection B, to secure the district's bonds or other financial
3 obligations issued or incurred under this chapter for the construction of all
4 or part of a multipurpose facility.

5 ~~B-~~ C. The board of directors shall:

6 1. Appoint from among its members a chairman, a secretary and such
7 other officers as may be necessary to conduct its business. The board of
8 directors may appoint the chief financial officer of the county as the
9 district treasurer of a countywide district established under section
10 48-4202, subsection A. If the board does not appoint the chief financial
11 officer, the county treasurer is designated ex officio as the treasurer. The
12 board of directors of a district that is established pursuant to section
13 48-4202, subsection B shall designate ex officio an officer of one of the
14 municipalities as treasurer of the district.

15 2. Keep and maintain a complete and accurate record of all its
16 proceedings. All proceedings and records of the board shall be open to the
17 public as required by title 38, chapter 3, article 3.1 and title 39,
18 chapter 1.

19 3. Provide for the use, maintenance and operation of the properties
20 and interests controlled by the district.

21 ~~C-~~ D. The board of directors of a district that is established
22 pursuant to section 48-4202, subsection B shall determine by agreement the
23 distribution of revenues from operating and using the multipurpose facilities
24 among the municipalities and any participating Indian tribe or community.

25 ~~D-~~ E. The directors, officers and employees of the district are
26 subject to title 38, chapter 3, article 8 relating to conflicts of interest.

27 ~~E-~~ F. This state and political subdivisions of this state other than
28 the district are not liable for any financial or other obligations of the
29 district and the financial or other obligations do not constitute a debt or
30 liability of this state or any political subdivision of this state, other
31 than the district.

32 Sec. 16. Repeal

33 Section ~~48-4203~~, Arizona Revised Statutes, as amended by Laws 2006,
34 chapter 376, section 4, is repealed.

35 Sec. 17. Laws 2005, chapter 322, section 2 is amended to read:

36 Sec. 2. Plan submission fees; appropriation

37 Notwithstanding the provisions of section 27-1233, subsection B,
38 Arizona Revised Statutes, as added by this act, monies collected by the state
39 mine inspector for submission of reclamation plans between January 1, 2006
40 and July 1, ~~2006~~ 2007 are appropriated to the state mine inspector for the
41 purposes of plan review and evaluation.

42 Sec. 18. Repeal

43 Laws 2006, chapter 319, section 2 is repealed.

1 Sec. 19. Retroactive application

2 A. Sections 17 and 18 of this act apply retroactively to June 15,
3 2006.

4 B. Section 9 of this act applies retroactively to June 21, 2006.

5 C. Sections 2, 3, 15 and 16 of this act apply retroactively to
6 September 21, 2006.

7 D. Sections 12 and 14 of this act apply retroactively to from and
8 after September 30, 2006.

9 E. Section 8 of this act applies retroactively to January 1, 2007.

10 F. Sections 4, 5, 6, 7, 10 and 11 of this act apply retroactively to
11 from and after June 30, 2007.

12 Sec. 20. Conditional enactment

13 Section 42-3203, Arizona Revised Statutes, as amended by section 13 of
14 this act, is effective as prescribed in Laws 2006, chapter 278, section 34.